Committee on Government Reform

Tom Davis, Chairman



For Immediate Release April 29, 2003

Government Reform Committee to Address: "Better Training, Efficiency and Accountability: Services Acquisition Reform for the 21st Century"

Contact: David Marin/Scott Kopple

(202) 225-5074

What: Government Reform Committee Hearing on the Services Acquisition Reform Act of

2003 (SARA)

When: Wednesday, April 30, 2003, 10:00am

Where: Room 2154, Rayburn House Office Building

Background:

The Committee on Government Reform will conduct a legislative hearing on the Services Acquisition Reform Act (SARA) of 2003. The hearing will build on others conducted last Congress on H.R. 3832, the Services Acquisition Reform Act of 2002, to address the barriers government agencies face in acquiring the goods and services necessary to meet mission objectives.

The goal of this hearing is to discuss ways to provide the federal government greater access to the commercial marketplace. The reforms of the early to mid-90s have resulted in significant streamlining, cost savings, access to technological advancements, and reduced procurement cycles—which have improved the quality of products and services purchased by the federal government. Unfortunately, the government is still not able to approach the best practices of industry, particularly regarding the acquisition of cutting edge information technology and management services.

Each year our government spends well over \$200 billion buying services and goods ranging from sophisticated information technology and management services, to grass cutting and window washing, from paper clips, to advanced weapon systems. More than half of that \$200 billion, over \$135 billion, is now spent on services, establishing services as our largest single spending category.

We do not have the right people with the right skills to manage the acquisition of the services and technology that the government so desperately needs. The GAO along with several civilian oversight agencies have found prevailing weaknesses in service contracting; acquisitions are not competed sufficiently, are poorly planned, or are not well managed. These enduring failures cause GAO to, year after year, place management of large procurement operations on its High Risk list.

The current system, although much improved by the reforms of the 90s, is simply inadequate to leverage the best and most innovative services and products our vigorous private-sector economy has to offer. It has not kept up with the dynamics of an economy that has over the last few years become increasingly service and technology oriented. Without change, the current system cannot support the President's vision, expressed in his Management Agenda, of a government that is well run, results oriented, citizen centered, and market based.

SARA is targeted at the root causes of our current dilemma. It will allow us to put the tools needed to access the commercial service and technology market in the hands of a trained workforce that will have the discretion necessary to chose the best value for the government and be held accountable for those choices.

SARA will address the multiple deficiencies plaguing government acquisition today; (1) the lack of up-to-date comprehensive training for our acquisition professionals, (2) the inability of the current government structure to reflect business-like practices by facilitating cross-agency acquisitions and information sharing, and (3) the lack of good tools and incentives to encourage the participation of the best commercial firms in the government market.

The federal government faces historic challenges. At the same time it sits at the brink of unprecedented opportunity. We can and must develop new methods to harness the magic of our dynamic private market to meet the critical needs of the American people. SARA will do just that. This legislation will create a flexible, responsive, and impartial competitive acquisition system that will enable our government to leverage the best services and technology the private sector has to offer at fair and reasonable prices.

Panel One Witnesses:

Mr. William Woods, Director, Contracting Issues, United States General Accounting Office; Mr. Stephen Perry, Administrator, United States General Services Administration; and Ms. Angela Styles, Administrator, Office of Federal Procurement Policy, Office of Management and Budget (OMB).

Panel Two Witnesses:

Professor Charles Tiefer, Professor of Law, University of Baltimore;

Mr. Bruce Leinster, Chairman of the of the Information Technology Association of America's (ITAA) Procurement Policy Committee;

Mr. Mark F. Wagner, Vice President of Government Affairs, Johnson Controls, testifying on behalf of the Contract Services Association; and

Mr. Edward Legasey, Executive Vice President and Chief Operating Office of SRA International, on behalf of the Professional Services Counsel.